

Fiscal Note

Fiscal Services Division



HF 520 – Veterans, Resident Tuition Rates (LSB1029HV)

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Fiscal Note Version – New

Description

House File 520 requires the Regents universities and community colleges to adopt rules to classify active military personnel and qualified veterans and their spouses and dependent children as residents for purposes of charging tuition and fees. A qualified veteran is someone who served on active duty after September 10, 2001, and received an honorable discharge.

Assumptions

- Domiciled veterans, as used in this Bill, means a veteran who has moved into Iowa to attend college. It does not refer to someone who has previously established Iowa residence thus already meets the definition of resident for tuition purposes.
- As of July 1, 2009, active duty military personnel whose permanent residence or active duty station is in Iowa and their spouses and dependents will receive in-state tuition and fees as required by the federal Higher Education Opportunity Act.
- In FY 2010, an estimated 36 undergraduate non-resident active military personnel and veterans and their family members will be enrolled in Regents universities as liberal arts majors. In FY 2011, there will be an estimated 42 undergraduate non-resident active military personnel and veterans and family members.
- The Regents universities' average annual resident tuition and mandatory fees are \$6,704 for FY 2010 and \$6,972 for FY 2011. The average nonresident tuition and mandatory fees are \$18,323 for FY 2010 and \$19,056 for FY 2011. The difference between resident and non-resident tuition and fees will be \$11,619 in FY 2010 and \$12,084 in FY 2011.
- The average difference between resident and non-resident tuition for the 15 community colleges for a 30-hour academic program year is currently \$1,209.

Fiscal Impact

There is no impact to the State General Fund.

If none of these active military personnel and veterans and their dependents would have enrolled at the Regents universities except for the incentive of this tuition and fee reduction, then the universities will have an estimated increase in tuition and fee revenues of \$241,000 in FY 2010 and \$293,000 in FY 2011.

If all these active military personnel and veterans and their dependents would have enrolled in the Regents universities regardless of the tuition and fee reduction, then the Regents universities will forego estimated nonresident tuition revenues of \$418,000 in FY 2010 and \$508,000 in FY 2011.

Community colleges will not have a significant reduction in tuition revenues.

Sources

Board of Regents
Department of Education

/s/ Holly M. Lyons

March 10, 2009

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Section 2.56](#), [Code of Iowa](#). Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
